

IN RELATION TO THE MINT.

LETTER

FROM

THE SECRETARY OF THE TREASURY,

TRANSMITTING

Letter from the Director of the Mint relative to covering into the treasury certain moneys, &c., under the provisions of bill H. R. 685.

MARCH 3, 1868.—Referred to the Committee on Appropriations and ordered to be printed.

TREASURY DEPARTMENT, *February 27, 1868.*

SIR: I have the honor to enclose herewith a copy of a letter of the Director of the Mint, under date of the 26th instant, calling my attention to a proviso contained in bill No. 685, H. R., page 41, which provides "that hereafter all the available profits of the United States mint and branches shall be covered into the treasury, to be expended only by a specific appropriation," and stating that its passage will result in serious embarrassment to the mint; and to request its favorable consideration by the House of Representatives.

I have the honor to be, very respectfully, your obedient servant,

R. McCULLOCH,
Secretary of the Treasury.

HON. SCHUYLER COLFAX,
Speaker of the House of Representatives.

MINT OF THE UNITED STATES,
Philadelphia, February 26, 1868.

SIR: My attention has been called to a proviso contained in bill No. 685, H. R., page 41, which is as follows: "That hereafter all the 'available profits' of the United States mint and branches shall be covered into the treasury, to be expended only by a specific appropriation."

The "seignorage" (or profit of the mint) consists of the one-half per cent. coinage charge on gold coins and the silver dollar, and also the difference between the rate paid for silver bullion (122½ cents per standard ounce) and the rate at which it is issued in coins of less denomination than one dollar, (125 cents per ounce,) and is paid annually into the treasury of the United States. The "deductions from depositors," being the charges imposed on deposits for "refining," "parting," and "toughening," and required by law to equal, but not exceed, the actual expenses for labor and materials employed in those

operations, are available for such expenses. Formerly, the deductions were transferred direct to the ordinary account of the mint or branch mint, and were paid out by the treasurer on the director's warrant; but some years since, in 1859, I think, a regulation was established requiring the deductions to be paid at the end of each month into the treasury of the United States, to the credit of the appropriation for incidental expenses of the mint or branch mint, being subsequently drawn out on the usual requisitions. This regulation secures to the accounting officers of the treasury a proper supervision over all receipts and disbursements of the mint and branches, and no additional legislation appears to be required. Moreover, the section, if it becomes a law, will lead to serious embarrassments at the principal mint. Under existing laws, the materials, copper, nickel, tin, zinc, acids, &c., used in the manufacture of the one and two-cent bronze, and the three and five-cent nickel-copper pieces, are purchased from time to time by the treasurer of the mint, from the cent coinage fund. The net profits of this account are paid into the treasury of the United States under existing laws. The proviso referred to would require a specific appropriation for the purchase of materials for the cental coinage, and it would be impracticable to estimate for the same, as it would depend entirely on the public demand for the small coin. I deem it proper to call your attention to the above facts, and have to request that you will submit them to the proper committee before the bill is disposed of.

Very respectfully, &c.,

H. R. LINDERMAN, *Director.*

Hon. HUGH McCULLOCH,
Secretary of the Treasury.